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RECORDATION NO. **17942-B** FILED 1425
JUN 27 1994 - 10 AM
INTERSTATE COMMERCE COMMISSION

OF COUNSEL
URBAN A. LESTER

June 27, 1994

0100292015

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RECEIVED
OFFICE OF THE
SECRETARY
JUN 27 10 06 AM '94
LICENSING BRANCH

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) executed copies of an Addendum "A", dated June 22, 1994, a secondary document as defined the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The enclosed document relates to the Master Equipment Lease Agreement, dated as of September 18, 1992, which was duly filed with the Commission under Recordation Number 17942.

The names and addresses of the parties to the enclosed document are:

Lessor: Pitney Bowes Credit Corporation
201 Merritt Seven
Norwalk, Connecticut 06856

Lessee: Eastman Chemical Company
P.O. Box 511
Kingsport, Tennessee 37662

A description of the railroad equipment covered by the enclosed document is: twenty-three (23) hopper cars bearing road marks and numbers ETCX 3918 through ETCX 3940, inclusive.

counterparts

Mr. Sidney L. Strickland, Jr.
June 27, 1994
Page 2

Also enclosed is a check in the amount of \$18.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'R. Alvord', with a long horizontal stroke extending to the right.

Robert W. Alvord

RWA/bg
Enclosures

ADDENDUM "A"

JUN 27 1994 - 10 AM

INTERSTATE COMMERCE COMMISSION

This Addendum "A" is made a part of that certain Master Equipment Lease Agreement dated September 18, 1992, as amended pursuant to that certain Assignment and Assumption Agreement dated December 31, 1993 between Eastman Chemical Company and Pitney Bowes Credit Corporation (hereinafter the "Lease") and Lease Schedule No. 804 (hereinafter the "Schedule"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease.

For purposes of Schedule No. 804 only, the following terms and conditions as set forth in the Lease are hereby modified as follows:

- 1) The term of the Lease with respect to Schedule No. 804 shall have a fixed and non-cancelable term (Original Rental Term) of thirteen (13) years with rent being paid quarterly in advance. The references to Quarterly Renewal Rental Payments in the Lease are not applicable to the Equipment covered by the Schedule 804.
- 2) Section 3(a)(iii) is hereby deleted and replaced with the following:
"there not having occurred, in Lessor's sole judgement, since December 31, 1993, any material adverse change in the financial condition of Lessee or in Lessee's ability to perform its obligations hereunder;"
- 3) Clause (ii) to the second paragraph of Section 9 is hereby deleted and replaced with the following:
"can be implemented once during each year of the Original Rental Term at a cost not to exceed fifteen thousand dollars (\$15,000) for any item of Equipment."
- 4) Section 19. "PURCHASE OPTION:" is hereby deleted and replaced with the following:
"To the extent Lessee shall not have exercised the Credit Termination option set forth in Section 33 hereof, Lessee shall have the option to purchase all, but not less than all of the Equipment leased hereunder upon the expiration of the Original Rental Term for a price (the "Purchase Option Price") equal to the Fair Market Value for the Equipment, provided (a) Lessee is not in default under this Lease, and (b) Lessee exercises such purchase option by written notice to Lessor, at Lessor's address stated herein, no earlier than two hundred seventy (270) days and no later than one hundred eighty (180) days prior to the expiration of the Original Rental Term, and (c) upon the expiration of the Original Rental Term, the Equipment is in the condition described in Section 24 hereof, and (d) Lessee remits payment of the Purchase Option Price on the expiration date of the Original Rental Term. Any purchase price or rental rate for Equipment offered in this Lease at Fair Market Value shall be determined on the basis of, and shall be equal in amount to, the value which one would obtain in an arm's-length transaction between an informed and willing buyer-user or lessee-user (other than a Lessee currently in possession and a used equipment dealer) and an informed and willing seller or lessor under no compulsion to sell or lease, as the case may be, and in reaching such determination, costs of removal of Equipment from its location of current use shall not be a deduction from such value

("Fair Market Value" or "FMV"). In the event Lessee purchases the Equipment, Lessee shall be responsible for all applicable sales tax and all other amounts then due and owing under the Lease.

If Lessor and Lessee are unable to agree upon the value to be assigned to FMV, such value shall be determined by averaging three (3) independent appraisals submitted by three (3) appraisers, one selected by Lessor, one selected by Lessee and a third mutually selected by Lessor and Lessee. The fees and expenses of all such appraisers shall be paid by Lessee. In the event that Lessee chooses not to purchase the Equipment either after a determination of FMV has been reached or otherwise, Lessee shall at least one hundred eighty (180) days prior to expiration of the Original Rental Term, provide Lessor with written notice that Lessee has elected to rescind the purchase option and return all but not less than all of the Equipment to Lessor upon the expiration date of the Original Rental Term in accordance with the terms of Section 24 hereof."

- 5) Section 20. "RENEWAL:" is hereby deleted in its entirety.
- 6) Section 24. "RETURN OF EQUIPMENT:" is hereby deleted and replace with the following:

"To the extent Lessee shall not have exercised the purchase option set forth in Section 19 hereof nor the Credit Termination option set forth in Section 33 hereof and further provided Lessee is not in default under the terms of Section 25 of this Lease, Lessee may elect to terminate this Lease by providing written notice of such election to Lessor at least one hundred eighty (180) days prior to the expiration of the Original Rental Term. Upon the exercise of such election, Lessee shall, at its own risk and expense, on the last day of the Original Rental Period (i) insure (in accordance with the terms of Sections 13(a) and 13 (b) hereof) and deliver to Lessor all but not less than all of the Equipment listed in Schedule 803 (the "Return Date") at such location or locations within the continental United States, as may be designated by Lessor in writing. The Equipment shall be in the same condition as when first accepted by Lessee, ordinary wear and tear resulting from the normal and proper use thereof alone excepted, free of any advertising, or non-essential car markings, cleansed (interior and exterior) of any silt, sludge, debris or residue and otherwise in the condition in which it is required to be maintained hereunder; and (ii) at Lessor's direction, provide any mechanical or structural modifications, improvements, replacements or details of rebuilding required to insure that all of the Items of Equipment meet the standards and requirements for certification and acceptance as "rebuilt" as specified in the then-current AAR Rebuild Requirements of the Office Manual of the Interchange Rules (the 1992 version of which is set forth in Exhibit A attached hereto and made a part hereof) as adopted by the AAR or the FRA or any such successor agencies having jurisdiction over such matters ("Interchange Rules"). At Lessor's request, Lessee agrees to add, install or attach any reasonable recommended or mandated changes in the Equipment specifications and design so as to be in compliance with any and all applicable laws and regulations involving, but not limited to, health, safety or environmental standards then in effect or under review by any governing or regulatory agencies having jurisdiction over such Equipment or its usage. Lessee agrees upon Lessor's request to supply to Lessor any information, records or logs relating to the Equipment

and Lessee's use, possession, maintenance and operation thereof and to execute, deliver, file and record any documents necessary to establish and confirm Lessor's right, title and interest in and to the Equipment and any and all modifications, improvements, replacements and details of rebuilding. Lessee further agrees, upon Lessor's request, to store the Equipment, at Lessor's expense, in a secure and controlled environment for a period which shall not exceed one (1) year from the date all of the Equipment is certified as "rebuilt". In lieu of having the Equipment "rebuilt", Lessor may, at Lessor's sole option, elect to receive a cash payment the amount of which shall be mutually agreed upon by Lessor and Lessee. If Lessor and Lessee are unable to agree upon such amount, same shall be determined by averaging three (3) independent appraisals submitted by three (3) appraisers, one selected by Lessor, one selected by Lessee and a third mutually selected by Lessor and Lessee. The submitted appraisals shall take into account, among other factors, the value of the time involved in rebuilding the Equipment and the unavailability of the Equipment to Lessor during such time. All of the fees and expenses charged by each appraiser shall be paid by Lessee.

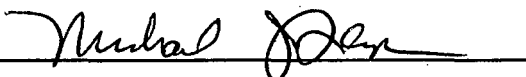
From the Return Date until all of the terms and conditions set forth in this Section 24 have been satisfied by Lessee and all the Equipment has been certified as "rebuilt" and accepted as such, in writing by Lessor, all of the terms and conditions of this Lease shall remain in full force and effect including, but not limited to, Lessee's obligation to continue to pay rent to Lessor in amounts equal to the last Quarterly Rental Payment in effect immediately prior to the Return Date."

- 7) Section 33(a) and 33(b) (Early Termination, Economic Termination) shall not be applicable to equipment subject to Schedule 803.

Except as specifically provided herein, all the terms and conditions of the Lease shall remain in full force and effect as provided therein.

LESSOR:

PITNEY BOWES CREDIT CORPORATION

BY: 

NAME: MICHAEL J. LEYN

Vice President

TITLE: Credit/Operations

LESSEE:

EASTMAN CHEMICAL COMPANY

BY:  

NAME: E. CALVIN CASSELL

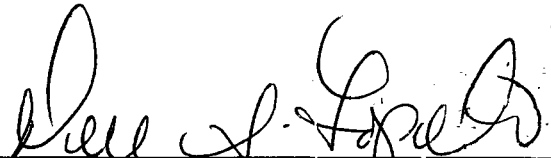
TITLE: Manager, Domestic Distribution Services

ADDEND

CORPORATE FORM OF ACKNOWLEDGEMENT

State of Connecticut)
County of Fairfield) SS:

On this 24 day of June, 1994, before me personally appeared Michael J. Heyn, to me personally known, who being by me duly sworn, says that he is the Vice President Credit Corp. of Pitney Bowes Credit Corporation, ~~that the seal affixed to the foregoing instrument is the corporate seal of said corporation,~~ that said instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Signature of Notary Public

DELL S. LOPATO
NOTARY PUBLIC
My Commission Expires March 31, 1998.

My commission expires _____

Seal

CORPORATE FORM OF ACKNOWLEDGEMENT

State of Tennessee)
) SS:
County of Sullivan)

On this 22nd day of June, 1994, before me personally appeared E. Calvin Cassell, to me personally known, who being by me duly sworn, says that he is the Manager, Domestic Distribution Services of Eastman Chemical Company, ~~that the seal affixed to the foregoing instrument is the corporate seal of said corporation,~~ that said instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna A. May

Signature of Notary Public

My commission expires

May 15, 1995

Seal

LEASE SCHEDULE

Master Equipment

Lease Agreement No.: 0057059

Account Billing No.: _____

Master Equipment

Lease Agreement Date: September 18, 1992

Lessee Purchase

Order No.: _____

Lease Schedule No: 804

Outside Commitment

Date: _____

Lease Schedule Date: June 22, 1994Seven (7) year class recovery propertyBetween PITNEY BOWES CREDIT CORPORATION (Lessor) and EASTMAN CHEMICAL COMPANY (Lessee).

1. Equipment Description Manufacturer Model & Serial Number

See Schedule A attached hereto and made a part hereof

2. Equipment Location

The above Equipment is to be located and delivered to Lessee's premises at Highway 149, Kodak Boulevard, Longview, TX 75603.

3. Billing Address

Eastman Chemical Company, Transportation & Field Dist. Dept.,
P.O. Box 1990, Kingsport, TN 37662 Attn: Michael H. Strickler4. Capitalized Lessor's Cost: \$1,243,748.005. Commencement Date: August 20, 1994

5. Original Rental Term

One Hundred Fifty Six (156) months. Payable quarterly in advance.

6. Aggregate Rental for Original Rental Term

\$1,475,136.00 payable as follows:Rental Payment of \$28,368.00, plus interim rent, plus applicable Sales/Use Tax. The first Rental Payment of \$28,368.00, plus applicable Sales/Use Tax is due on August 20, 1994.

7. Number and Amount of Advance Rental Payments

Number: One (1) Amount: \$28,368.00

8. Renewal Option N/A

9. Purchase Option Fair Market Value

10. Depreciation Assumptions

7 years MACRS

Lessor's Respective Tax YearApplicable Percentage

1	14.286%
2	24.490%
3	17.493%
4	12.495%
5	8.925%
6	8.925%
7	8.925%
8	4.461%

11. THIS SCHEDULE AND ITS TERMS AND CONDITIONS ARE HEREBY INCORPORATED BY REFERENCE IN THE ABOVE MASTER EQUIPMENT LEASE AGREEMENT. LESSEE PERMITS LESSOR TO INSERT MODEL AND SERIAL NUMBERS OF EQUIPMENT WHEN DETERMINED BY LESSOR: LESSEE REPRESENTS AND WARRANTS THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN ITS BUSINESS OR FINANCIAL CONDITION SINCE THE DATE SET FORTH IN SECTION 3 OF THE LEASE.

Accepted by:

PITNEY BOWES CREDIT CORPORATION (Lessor) EASTMAN CHEMICAL COMPANY (Lessee)

Name: Michael J. Day
Title: VP, Credit/Operations
Date: 6/24/94

Name: E. Calvin Cassell
Title: Manager, Domestic Distribution Services
Date: 6-22-94

SCHEDULE A
Equipment List

This schedule is attached to and made a part of Lease Schedule 804 dated as of June 22, 1994 to Master Equipment Lease Agreement No. 0057059 dated as of September 18, 1992 between Pitney Bowes Credit Corporation as Lessor and the undersigned Lessee.

Quantity	Equipment Description	Serial No.
23	Thrall 117 Ton 4040 Cubic Foot Semi-Automatic Unloading Aluminum Coal Hopper Cars with running numbers:	
	ETCX 3918	ETCX 3930
	ETCX 3919	ETCX 3931
	ETCX 3920	ETCX 3932
	ETCX 3921	ETCX 3933
	ETCX 3922	ETCX 3934
	ETCX 3923	ETCX 3935
	ETCX 3924	ETCX 3936
	ETCX 3925	ETCX 3937
	ETCX 3926	ETCX 3938
	ETCX 3927	ETCX 3939
	ETCX 3928	ETCX 3940
	ETCX 3929	

This schedule is hereby verified correct and undersigned acknowledges receipt of a copy.

LESSOR:

PITNEY BOWES CREDIT CORPORATION

By: Michael J. Leyh

Printed Name: MICHAEL J. LEYH

Title: Vice President
Credit/Operations

LESSEE:

EASTMAN CHEMICAL COMPANY

By: E. Calvin Cassell

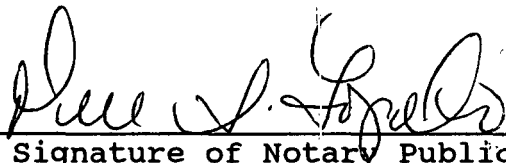
Printed Name: E. CALVIN CASSELL

Title: Manager, Domestic Distribution Services

CORPORATE FORM OF ACKNOWLEDGEMENT

State of Connecticut)
County of Fairfield) SS:

On this 24 day of June, 1994, before me personally appeared Michael J. Heyn, to me personally known, who being by me duly sworn, says that he is the Vice President Credit Operations of Pitney Bowes Credit Corporation, ~~that the seal affixed to the foregoing instrument is the corporate seal of said corporation,~~ that said instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Signature of Notary Public

DELL S. LOPATO
NOTARY PUBLIC
My Commission Expires March 31, 1998.

My commission expires _____

Seal

CORPORATE FORM OF ACKNOWLEDGEMENT

State of Tennessee)
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County of Sullivan)

On this 22nd day of June, 1994, before me personally appeared E. Calvin Correll, to me personally known, who being by me duly sworn, says that he is the Manager, Domestic Distribution Services of Eastman Chemical Company, ~~that the seal affixed to the foregoing instrument is the corporate seal of said corporation,~~ that said instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna A. May
Signature of Notary Public

My commission expires May 15, 1995

Seal